13 May 1988 OCA 88-1527

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MEMORANDUM FOR: See Distribution

FROM:

Deputy Director for Legislation

Office of Congressional Affairs

SUBJECT:

HPSCI Report on FY '89 Intelligence

Authorization Bill

1. Attached for your information is a copy of House Report No. 100-591 (Part 1). This is the report of the House Permanent Select Committee on Intelligence (HPSCI) on H.R. 4387, the HPSCI version of the Fiscal Year 1989 Intelligence Authorization bill.

- 2. We previously reported to you on the provisions of the bill itself. We note the following portions of the report as being of particular interest.
- Information DoJ Report Delay on Indemnification Agreements. The 1986 Intelligence Authorization Act gave the Central Intelligence Agency (CIA), as well as other federal agencies, access to state and local applicant criminal history record information. This, however, was conditioned on a requirement that for the first three years after enactment, the agencies agree to enter into indemnity agreements with states and localities for claims arising out of the disclosure/use of the information. The Department of Justice was required to report to the Congress by December 1987 on the effect of this indemnification requirement.
- 4. On p. 5, the report discusses Justice's failure, to date, to submit this report and HPSCI's reaction of extending the expiration date of the indemnification requirement until one year after such time as the report is ultimately submitted.
- 5. CIA & NSA EEO Reports. On p. 10 of the report there is a discussion of the requirement contained in Section 403 of the bill that CIA and the National Security Agency (NSA) submit Equal Employment Opportunity (EEO) reports to the Congress over the course of the next several years.

- 6. "Mole Relief Reopener" Congressional Notification Requirement. HPSCI included the Administration's "Mole Relief Reopener" provision in H.R. 4387 but, as the discussion on p. 11 of the report notes, added a requirement for prior Congressional notification.
- 7. UTP Accounting Methods. On p. 16 of the report, HPSCI discusses the CIA and NSA Undergraduate Training Programs (UTP's). In two areas, the CIA UTP is compared unfavorably with the NSA's. First, HPSCI faults CIA for paying the room and board expenses of candidates. HPSCI notes NSA does not do this and asserts it is beyond the Congressional intent of the underlying provision. Second, HPSCI faults CIA for the formula it uses in calculating the length of a student's service. both instances, HPSCI urges CIA to adopt the NSA standards.
- H.R. 4387 now goes to the House Armed Services Committee for review of budget items under that Committee's jurisdiction and then to floor action.
- Should you have any questions, please feel free to contact this office.

Attachment

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100TH CONGRESS 2d Session

HOUSE OF REPRESENTATIVES

REPT. 100-591 Part 1

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1989

APRIL 29, 1988.—Ordered to be printed

Mr. Stokes, from the Permanent Select Committee on Intelligence, submitted the following

REPORT

[To accompany H.R. 4387]

The Permanent Select Committee on Intelligence, to whom was referred the bill (H.R. 4387) to authorize appropriations for fiscal year 1989 for the intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The amendment is as follows: On page 8, after line 6, insert the following:

EQUAL EMPLOYMENT OPPORTUNITY PLAN

SEC. 403. Ninety days after enactment of this Act, the Director of Central Intelligence and the Secretary of Defense shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report setting forth an analysis of each equal employment opportunity group's representation in the Central Intelligence Agency and the National Security Agency respectively and proposing a plan for rectifying any underrepresentation of any such equal employment opportunity group by September 30, 1991.

(b) The Director of Central Intelligence and the Secretary of Defense shall each submit interim reports on February 1 of 1989, 1990, and 1991 concerning the Central Intelligence Agency and the National Security Agency respectively detailing the efforts made, and the progress realized, by each such agency in achieving the objectives of

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